REMARKS

Upon entry of this amendment, Claims 1-6, and 8-81 constitute the pending claims in the instant application. Claims 48-81 are directed to non-elected inventions. Applicants will cancel these claims upon indication of allowable subject matter. Claim 7 is canceled without prejudice. Applicants reserve the right to prosecute claims of identical or similar scope in future divisional or continuation applications.

Applicants have also amended Claims 1, 5, 11, 12, 14-19, 21, 25, 28, 30-32, 36, 41, and 47 to clarify the subject matter claims, and/or to correct typographic / grammatical errors. Support for these amendments can be found throughout the specification. For example, support for amended Claim 15 can be found on page 25, first two full paragraphs.

Applicants respectfully request reconsideration in view of the following remarks. Issues raised by the Examiner will be addressed below in the order they appear in the Office Action.

Claim Rejections under 35 U.S.C. § 112, Second Paragraph

Claims 1-47 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicants regard as the invention.

Specifically, Claims 1-14 are rejected, "because while the claim is drawn to a method, there are no actual method steps."

Applicants have amended Claim 1 to clarify the subject matter claimed. Applicants submit that the culturing step recited in the amended Claim 1 constitute the method step. Reconsideration and withdrawal of the rejection are respectfully requested.

Claims 15-40 are rejected for allegedly being indefinite, because the phrase "FGF family member" allegedly renders the scope of the claims unclear. The Office Action asserts that "the

phrase does not appear to be explicitly defined in the specification and as "family" has no concrete art recognized meaning..."

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While not acquiescing in the reasoning of the Office Action, to advance prosecution, Applicants have amended Claim 15 and its dependent claims to remove the reference to "FGF family member." The amended claims recite "an FGF polypeptide at least 60% identical to FGF-7, FGF-8, FGF-17, FGF-18, or bioactive fragment thereof." Thus, this rejection under 35 U.S.C. § 112, second paragraph is overcome.

The Office Action also rejects Claims 15-47, because the phrase/step "selecting cells by culturing in the ..." allegedly renders the claims indefinite "because it is unclear how said selection is to occur."

While not acquiescing in the reasoning of the Office Action, Applicants have amended Claims 15 and 41 to obviate this rejection.

Reconsideration and withdrawal of the rejections under 35 U.S.C. § 112, second paragraph are respectfully requested.

CONCLUSION

In view of the above amendment, Applicants believe the pending application is in condition for allowance. Applicants believe no fee other than the extension fee under 37 C.F.R. § 1.136(a) is due with this response. However, if a fee is due, please charge our Deposit Account No. 18-1945, under Order No. ESCL-P01-124 from which the undersigned is authorized to draw.

Dated: December 1, 2006

Respectfully submitted,

By_____Yu Lu, Ph.D

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